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E.O. 12958: DECL: 12/23/2034  
TAGS: [ETTC](#) [MTCRE](#) [PREL](#) [CH](#) [KN](#)  
SUBJECT: EFFORTS BY CHINESE COMPANY TO PROVIDE  
MTCR-CONTROLLED STEEL TO NORTH KOREAN WEAPONS TRADING  
FIRM (S)

Classified By: ISN/MTR Director Pam Durham.  
Reasons 1.4 (B), (D), and (H).

11. (U) This is an action request. Embassy Beijing, please see paragraph 3.

12. (S) Background: The United States has information indicating that as recently as November 2009, China's Maanshan Huntian Equipment Ltd. Company was attempting to supply several types of specialty steel to a North Korean weapons trading firm. We understand that one of the specialty steels to be provided by the Chinese company is titanium-stabilized duplex stainless steel (Ti-DSS). Ti-DSS is controlled by the Missile Technology Control Regime (MTCR) and would require a license under China's own missile-relevant export control laws. Ti-DSS can be used in the production of Scud and No Dong missiles and is also prohibited from being transferred to North Korea under United Nations Security Council Resolutions 1718 and 1874. We want to share this information with Chinese officials and request that they take all appropriate measures to ensure that Maanshan Huntian Equipment Ltd. Company is not acting as a source of supply to ballistic missile programs in North Korea.

13. (U) Action Request: Request Embassy Beijing approach appropriate host government officials to deliver non-paper in paragraph 4 and report response.

14. (S) Begin non-paper:

(SECRET//REL CHINA)

-- We would like to alert you to a matter of proliferation concern and request your assistance in investigating this activity.

-- The United States has information that in November 2009, the Chinese company Maanshan Huntian Equipment Ltd. Company offered to provide a known North Korean weapons trading firm with several types of specialty steel produced by China,s Changcheng Special Steel Co., Ltd.

-- Among the types of steel being offered by Maanshan Huntian Equipment Ltd. Company is type 0Cr21Ni5Ti steel, which is a titanium-stabilized duplex stainless steel (Ti-DSS) controlled by the Missile Technology Control Regime (MTCR) and would require an export license under China,s export control laws.

-- We are concerned that this specialty steel could be used to support North Korea,s missile development efforts.

-- Ti-DSS is used in the production of Scud and No Dong propellant tanks and is also an item prohibited from being transferred to North Korea under United Nations Security Council Resolutions (UNSCRs) 1718 and 1874.

-- We hope you will investigate this information and take measures to ensure that companies in China are not supplying controlled material to weapons-related entities in North

Korea.

-- We look forward to future cooperation on nonproliferation issues and would appreciate hearing of any actions you take in response to this information at the earliest possible time.

End non-paper.

15. (U) Department POC is ISN/MTR Ruchi Gugliani (Phone: 202-647-4019). Please slug any reporting on this issue for ISN/MTR and EAP/CM.

16. (U) A word version of this document will be posted at [www.state.sgov.gov/demarche](http://www.state.sgov.gov/demarche).  
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